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10/091,309	03/05/2002	Douglas B. Walter		8160

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EXAMINER

ZURITA, JAMES H

ART UNIT PAPER NUMBER

3625

DATE MAILED: 08/10/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/091,309

Applicant(s)

WALTER ET AL.

Examiner

James H. Zurita

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 05 March 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5 is/are rejected.
- 7) ☒ Claim(s) 1-5 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 05 March 2002 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____

DETAILED ACTION

Drawings

The drawings are objected to under 37 CFR 1.83(a). The drawings must show every feature of the invention specified in the claims. Therefore, the following must be shown or the features cancelled from the claims. No new matter should be entered.

Claim 2, a web page that is part of any merchant's website.

Claim 3, a web page that is part of any financial transaction company's website.

Claim 4, a web page other than any merchant's or any financial transaction company's website.

Claim 5, a marketing/display system.

Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. The figure or figure number of an amended drawing should not be labeled as "amended." If a drawing figure is to be canceled, the appropriate figure must be removed from the replacement sheet, and where necessary, the remaining figures must be renumbered and appropriate changes made to the brief description of the several views of the drawings for consistency. Additional replacement sheets may be necessary to show the renumbering of the remaining figures. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner,

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the applicant will be notified and informed of any required corrective action in the next Office action.

The objection to the drawings will not be held in abeyance.

Claim Objections

The following claims are objected to because of informalities:

Claim 1 appears to imply that the step of placing an order is part of the process performed by a facilitator. However, page 2 states that a customer and a merchant agree to a transaction, while page 3 mentions that certain information is incorporated in an order request. For purposes of this examination, the claims will be interpreted as permitting a customer to select and place an order for merchandise. This interpretation is consistent with applicant's drawings, which show no link between merchant and the facilitator.

In claim 1, the term coordinate is indefinite.

In claim 1, the following terms lack antecedent basis:

- "...to **the** merchant..."
- "...**the** order..."
- "...**the** subject merchant..."
- "...**the** subject bank..."
- "...**the** customer's account..."
- "...**the** purchased merchandise..."

In claims 1-4, the phrase "such as" renders the claims indefinite because it is unclear whether the limitations following the phrase are part of the claimed invention.

See MPEP 2173.05(d).

In claims 1 and 5, Use of the slash "/" in "...purchase/sale..." claim 1, and "...marketing/display system..." claim 5, renders the claims indefinite since it is not possible to determine the scope of what is being claimed.

Claim 2, should be changed to "...as the internet and - - **a** - - web page that..."

In claims 2-5, the following lacks antecedent basis:

- "...**the** entire Anonymous Internet Purchase (AIP) System..."

Claims 2-5, should be changed to - - additionally comprising incorporating - -.

In claims 2-5, the term "...entire..." renders the claims indefinite, since it is not clear what software is considered part of the system that applicant labels "Anonymous Internet Purchase System" and what is considered part of a web site of the named entities. For example, some portions (e.g., web pages) of the system would be applicable to an Internet site, but not to a version stored in a disk. This is particularly relevant since the steps of method 1 do not appear to require use of "...Anonymous Internet Purchase (AIP) System..." Similarly, web sites may use the HTTP protocol, but placing the software on a disk may require other types of access.

Claims 2-4 appear to be incomplete for omitting essential steps. It is not clear how the system would work on each party's web site, since each party has different roles.

Claims 2 and 4 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. Claim 1 refers to

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specific entities. Claims 2 and 4 appear to broaden the scope by referring to multiple entities of each type, i.e., "...**any**..."

Claim 3 and 4 refer to a "financial transaction company" The claim is indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. It is not clear what companies are included or excluded. It is also not clear how one would apply the invention in situations where a merchant is also a financial transaction company that issues its own credit card, for example, or where a merchant also acts as its own financial transaction company. Applicant provides no written description of what constitutes a financial transaction company, how to identify and exclude such entities.

In claim 5, the term "...burned on a compact disk..." will be interpreted to refer to creating read-only memory compact disk (CD-ROM)¹ that is, a physical disk.

Appropriate correction is required.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 2-5 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one

¹ Definition of **burn**, MICRSOSOFT PRESS Computer Dictionary.

skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Claims 2-4 refer to incorporating the system in various web pages. Applicant provides no description of how the system works when installed on a party's web page.

In Claim 5 it is not clear how the system components are incorporated into "...the content of a marketing/display system..."

The second portion of claim 5, "...burned on a compact disk in any available format." appears to correspond to a description found on page 2, last two lines:

...software enabling access to the AIP System can be stored on a mini compact disk. These CD's will be distributed to the public, providing exclusivity and an extra level of perceived security.

However, applicant does not describe how the system would work, given that the product is available on a physical disk, yet seems to be part of an online system that applicant refers to as "...a marketing/display system..."

The descriptive label "...marketing/display system..." carries little patentable weight. Prior art will be interpreted to meet this limitation where prior art discloses that a system is available on CD-ROM.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 1 and claims dependent thereupon are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Moreover, the courts have found that a claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer. See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). Finally, the Board of Patent Appeals and Interferences (BPAI) has recently affirmed a §101 rejection finding the claimed invention to be non-statutory based on a lack of technology. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory

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subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble. Claim 1's preamble:

A method to perform a secure purchase/sales transaction over a computer related network, such as the Internet without requiring customers to provide their name, credit card details, shipping address, e-mail address or phone number to the merchant – whereby ...

implies use of the Internet and implies a use of e-mail by alluding to an e-mail address. The Examiner notes, however, that these features are not actively involved in the steps of the method.

Mere intended or nominal use of a component, albeit within the technological arts, does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process.

In the present case, the steps of the method may be performed without the use of technology. For example, the following steps

the customer authorizes a transaction facilitator to process the purchase/sale by

- **placing** the order with the subject merchant
- **submitting** a request that the subject bank pay the merchant from the customer's account; and
- **coordinating** delivery of the purchased merchandise to the customer.

Can be performed without using any of the technology that is alluded to in the preamble.

Despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, the courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory

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subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998). Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Thus, in order for a claimed invention to be statutory, the claimed invention must produce a useful, concrete and tangible result.

["Usefulness" may be evidenced by, but not limited to, a specific utility of the claimed invention. "Concreteness" may be evidenced by, but not limited to, repeatability and/or implementation without undue experimentation. "Tangibility" may be evidenced by, but not limited to, a real or actual effect.]

In the present case, when considering claims as a whole the Examiner finds that use of various terms noted above, implies but does not positively recite sufficient technology to overcome a rejection under 35 USC 101.

Claim Rejections - 35 USC § 102

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claim 1 is rejected under 35 U.S.C. 102(e) as being anticipated by over **Shub** et al. (US 6,807,530).

As per claim 1, Shub discloses an anonymous internet purchase system and methods to perform secure purchase/sales transactions and delivery over computer

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networks such as the Internet without requiring customers to provide their name, credit card details, shipping address, e-mail address or phone number to a merchant. See, for example, Abstract, Col. 4, lines 26-38. Shub discloses:

- that a customer may authorize (by registering, for example, Col. 3, lines 49-55) a transaction facilitator (payment agencies) to process a purchase/sale. See, for example, references to payment agencies, references **102, 202**.
- that a customer places an order with a merchant, as in Col. 4, lines 26-38.
- submitting a request that a subject bank pay the *merchant* from the customer's account. See, for example, at least Col. 2, lines 46-67.
- coordinating delivery of the purchased merchandise to the customer. See, for example, at least Col. 2, line 36-Col. 3, line 7.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claim 1 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Shub** et al. (US 6,807,530).

Claims 2-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shub in view of Fisher et al., US PG-PUB 2003/0126094.

As per claims 2-4 Shub discloses the use of the Internet and the World Wide Web. See, for example, at least Col. 1, lines 14-35. Shub **does not** specifically disclose incorporating the system into a web page that is part of A merchant's website (claim 2), a financial transaction company's website (claim 3), and an entity other than a merchant and a financial transaction company's website (claim 4). These features are disclosed by Fisher. See, for example, at least Fig. 9 and related text.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine Shub and Fisher to disclose incorporating the system into a web page that is part of a merchant's website (claim 2), a financial transaction company's website (claim 3), and an entity other than a merchant and a financial transaction company's website (claim 4).

One of ordinary skill in the art at the time the invention was made to would have been motivated to combine Shub and Fisher to disclose incorporating the system into a web page that is part of a merchant's website (claim 2), a financial transaction company's website (claim 3), and an entity other than a merchant and a financial transaction company's website (claim 4) for the obvious reason that web sites and web pages often provide user-friendly, colorful graphics that often facilitate and enhance a user's shopping experience.

As per claim 5, Shub does not specifically disclose incorporating the system into the content of a marketing/display system, burned on a compact disk in any available format. This is disclosed by Fisher, Fig. 14 and related text, such as paragraph 152.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine Shub and Fisher to disclose incorporating the system into the content of a marketing/display system, burned on a compact disk in any available format.

One of ordinary skill in the art at the time the invention was made would have been motivated to combine Shub and Fisher to disclose incorporating the system into the content of a marketing/display system, burned on a compact disk in any available format for the obvious reason that a customer may wish to carry the various system components and execute the instructions at his own leisure, perhaps even avoiding costs associated with connection time on the Internet.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James H. Zurita whose telephone number is 571-272-6766. The examiner can normally be reached on 8a-5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 571-272-7159. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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12 August 2005

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